



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize advertisement for bids for the sale of surplus overhead all aluminum (AA) conductor and related material (EUD)

MEETING DATE: May 3, 2006

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council authorize the advertisement for bids for the sale of surplus overhead all aluminum (AA) conductor (715 and 954 kcmil sizes) and related material as listed in Exhibit A, attached.

BACKGROUND INFORMATION: According to Lodi City Code Section 2.12.120, the City Manager shall authorize the auction sale of surplus material having a value of less than \$2,000. The value of this surplus property exceeds that amount and requires City Council approval.

The overhead AA conductor and related material listed in Exhibit A were originally purchased in 1998 at a cost of \$387,068.63 for two (2) electric utility capital projects, neither of which have been constructed. The two projects were (1) the construction of a 12 KV distribution circuit to Woodbridge Irrigation District and (2) the construction of a 60 KV transmission line to the west (White Slough). These projects were discontinued and there are no plans of constructing them in the near future.

At this time, the Electric Utility Department does not have a project to utilize the material within the next five years. (Note that EUD is retaining some 954 kcmil wire in inventory for planned local sub-transmission use.) Since the material was purchased years ago and metal prices have increased due to worldwide demand, the City may realize a sale above the purchase price. Therefore, we respectfully recommend the sale of the Overhead AA conductor and related materials.

In compliance with Lodi Municipal Code § 2.12.120 Disposition of surplus personal property: The property to be sold shall be advertised by publication at least one time in a newspaper of general circulation or in a magazine or periodical generally distributed to municipalities, and sealed bids solicited. The manner of advertising and processing of bids shall be consistent with practices employed for other city transaction requiring bids.

FISCAL IMPACT: The sale of the surplus material will generate revenue for the department and the amount will be determined following the bid process.

FUNDING: Proceeds from the sale of this material will be returned to the Electric Utility fund.

Ruby R. Paiste
Ruby Paiste, Interim Finance Director

George E. Morrow
George E. Morrow, Electric Utility Director

Prepared By: Al Smatsky, Sr. Electrical Estimator
GFM/AS/1st

APPROVED: *Blair King*
Blair King, City Manager

EXHIBIT A

**SURPLUS CONDUCTOR AND MATERIAL
RECOMMENDED FOR DISPOSAL
MAY 3, 2006**

Inventory Number	Description	Quantity	Unit Cost	Total Cost
118-0075	715.5 kcmil AA CONDUCTOR	179,855'	0.80	14,3884.00
118-0516	715.5 kcmil DEAD END SHOE	112	21.92	2,455.04
118-2055	715.5 kcmil TENSION SLEEVE	64	19.34	1,237.76
118-2072	715.5 kcmil JUMPER SLEEVE	35	13.67	478.45
118-5045	15KV POST INSULATOR	713	17.89	127,55.57
118-7317	715.5 kcmil PREFORMED TIE	749	5.78	4,329.22
118-7324	715.5 kcmil PREFORMED SIDE TIE	48	4.85	232.80
218-0095	954 kcmil AA CONDUCTOR	99,120'	1.04	103,084.80
218-5115	60KV HORIZONTAL. SILICONE INSULATOR	444	138.10	61,316.40
218-7232	954 kcmil LINE GUARD	450	12.84	5,778.00
218-8634	954 kcmil SADDLE CLAMP TSC-200	350	6.17	2,159.50
	115 kV kcmil POST INSULATOR	108	261.23	28,212.84
	HORIZONTAL CLAMP ADAPTER	77	27.04	2,082.08
	HORIZONTAL MOUNTING BASE	77	43.38	3,340.26
	POLE TOP BRACKET	31	121.21	3,757.51
	954 kcmil SADDLE CLAMP ACTS-150	108	5.59	603.72
	115 kV SWITCH W-TRI	1	5006.28	5,006.28
	115 kV SWITCH W-3D	1	4610.68	4610.68
	VERTICAL CLAMP ADAPTER	31	30.96	959.76
	SPADE TERMINAL (SWITCH)	12	65.33	783.96
Total				\$387,068.63